

~~SECRET~~

14 February 1955

B
Development file
NIE 100-55

TO : DAD/NE

THRU : Chief, D *W*
Chief, E *ek*
AD/RR *pro*

FROM : Chief, S/TF

SUBJECT: Comments on Production Report for NIE 100-55.

1. In regard to the comment on the ORR contribution that it is slanted toward a position that controls had little appreciable effect, it is the judgement of the ORR analysts responsible for the contribution that a reasonably good case for controls was made in the paper based not on denial of goods to the Chinese but rather on the additional economic costs incurred by the Chinese. In any event this is considered by ORR to be a research conclusion based on a dispassionate analysis of the available information and not a "slant."

2. Under Substantive Problems, the 4th point should read "Inability to resolve problems dealt with in EIC-R1-S3 covering internal Chinese transport capabilities; etc..."

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